



## Philadelphia Home Ownership Center

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U.S. Department of Housing and Urban Development

The Wanamaker Building  
100 Penn Square East  
Philadelphia, PA 19107-3389

### CIRCULAR LETTER PH00-07

October 12, 2000  
(Revised: 06-05-06)

**TO:** All Approved Mortgagees AND appraisers Doing Business in Philadelphia, Pennsylvania

**FROM:** Engram A. Lloyd, Director, Homeownership Center

**SUBJECT:** Moratorium on FHA Mortgage Insurance

Effective immediately, the Philadelphia Homeownership Center is hereby issuing a moratorium on insurance endorsements and HUD Home Sales in the 4500 Block of North Reese Street, (between Wingohocking and Annsbury Streets), Philadelphia, PA 19140.

There are indications that this area has a problem with subsurface soil stability which could result in the subsidence of foundations and other structural elements of some buildings. At this time, further studies are being conducted to determine the severity of the problem. Until the extent of the problem is known, the Philadelphia Homeownership Center will not endorse mortgages that have been approved an underwriter or honor sales contracts executed for HUD Homes for the 4500 Block of North Reese Street on or after the date of this letter.

Also, appraisers are urged to use extra caution when evaluating homes in this immediate neighborhood and to check for any observable signs of settlement or subsidence. A structural engineer's report should be required whenever an appraiser observes or suspects such a problem.

If you have any questions regarding this issue, please contact our FHA Resource Center at (800) CALLFHA.